

We should strengthen regulation of international financial capital, minimize the effects of financial speculation on the financial markets of the world, especially developing countries, and prevent further pillage of surplus value by financial monopoly capital, thus minimizing industrial developmental gaps and promoting economic development.

We should take a critical view toward the spatial expansion of capital across the world. Developing countries should avoid excessive urbanization that goes beyond economic growth. That is to say, our working focus should be allocated to mitigate regional imbalanced growth, improve people's living standards, enhance educational and technological development, and promote environmental protection.

In order to mitigate the uneven development of the world capitalism, we should strengthen the leadership and decision-making power of developing countries in international economic organizations, United Nations and its affiliated organizations, with the AU, ASEAN, BRICS, G20, and AIIB. However, at the same time we should advocate and struggle for the socialist alternative to global capitalism that provides the only basis for overcoming uneven world economic development. It is our ultimate goal to go beyond the historic limit of capitalism so as to realize sustainable development of human beings.



# THE UNEVEN AND CRISIS-PRONE DEVELOPMENT OF CAPITALISM: A REVIEW OF THE TENTH FORUM OF WORLD ASSOCIATION FOR POLITICAL ECONOMY

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**Abstract:** The development of capitalism is always uneven and crisis-prone. The gap between developed countries and developing countries has grown wider since the 1980s, while the emerging economies including BRICS (Brazil, Russia, India, China and South Africa) have grown faster than developed countries, occupying a growing share of world GDP especially since the 2008 world economic and financial crisis. But developed countries still take most surplus value in the world through various financial powers and rigged trade deals which favour them over emerging economies and transfer and deepen all kinds of contradictions in ecology, class, race, and gender to developing countries. At this juncture, June 2015, world scholars of Marxism gathered together in Wits University, South Africa, to discuss the uneven and crisis-prone development of capitalism from the perspective of Marxian economics. Topics to be discussed include the current situation of uneven development, its forms and representations, and causes and solutions both theoretically and practically.

**Key words:** World Association for Political Economy; uneven development; crisis-prone; capitalism

The World Association for Political Economy (WAPE) is an international academic organization founded by Marxian economists and related groups around the world. The mission of WAPE is to utilize modern Marxian economics to analyze and study the world economy, reveal its laws of development, and offer policies to

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promote economic and social progress on national and global levels. The previous nine WAPE forums were successively held in Shanghai (China), Shimane (Japan), Beijing (China), Paris (France), Suzhou (China), Amherst (USA), Mexico City (Mexico), Florianopolis (Brazil), and Hanoi (Vietnam) during 2006–14, focusing on “economic globalization,” “the capital/labor relationship,” “sustainable development,” “global democratic governance,” “21st-century socialism,” “capitalist crisis,” “human development in the 21st century,” “inequality and world capitalism,” and “growth, development and social justice,” respectively.

“The Uneven and Crisis-prone Development of Capitalism—The Tenth Forum of the World Association for Political Economy” was held at Johannesburg, South Africa, on June 19–21 2015. The forum was attended by about 120 scholars from 12 countries, including China, Japan, USA, South Africa, Zimbabwe, India, Brazil, UK, Germany, Australia, Ireland, and Austria. The forum was co-organized by WAPE, the Chris Hani Institute, and the University of KwaZulu-Natal, South Africa.

On the afternoon of June 19 the opening ceremony was chaired by the Co-vice Chairman of WAPE, Professor Hiroshi Onishi from Keio University, Japan. Professor Enfu Cheng, Chairman of WAPE and Director of the Division of Marxism Studies of the Chinese Academy of Social Sciences (CASS), gave the opening speech. Professor Eddie Webster, Director of the Chris Hani Institute, Professor Sam Moyo, Director of the Africa Institute for Agrarian Studies, Mr. Alex Mashilo, Spokesman of the South African Communist Party, and Mr. Neil Coleman, representative of the Congress of South Africa Trade Unions, gave welcome speeches. A world-renowned Marxist economist Professor Qiyuan Xiang from the CASS was granted the *World Marxian Economics Award*. The *Distinguished Achievement Awards of World Political Economy of the 21st Century* were awarded to ten Marxist economists: Professor Martin Legassick at the University of the Western Cape, South Africa; Professor Nanping Jiang from Southwest University of Finance and Economics, China; Professor Jacklyn Cock from the University of the Witwatersrand, South Africa; Professor Satoshi Matsui from Senshu University, Japan; Professor Pritam Singh from Oxford Brookes University, UK; Professor Chuming Wang from Shanghai Lixin University of Commerce; Professor Sam Moyo from the Africa Institute for Agrarian Studies, Zimbabwe; Professor Zhan Shu from Fuzhou University, China; Professor Balwinder Singh Tiwana from Punjabi University, India; and Professor Vishwas Satgar from the University of Witwatersrand, South Africa. On the morning of June 20, the tree planting ceremony and the unveiling ceremony for Karl Marx’s damascened bust were held at the Chris Hani Institute.

Participants discussed the various topics on the agenda, including “Within world capitalist crisis, the fate of emerging economies,” “Feminist critiques of

patriarchal capitalism,” “Chinese political-economic trends,” “BRICS,” “South African political economy via biography,” “Capitalism and ecological chaos,” “Problems and prospects for anti-capitalist resistance,” “South African political economic debates,” “The political economy of land,” “Advances in Marxist economic theory,” “Municipal-scale political economy,” “World capitalism against the South,” “Conceptual challenges for political economy and democracy,” and other related topics.

## 1. Economic and Ecological Crisis of Capitalism

Professor David Kotz from the University of Massachusetts Amherst, USA, argued that to understand a severe economic crisis such as that of 2008, it is not sufficient to analyze capitalism-in-general along with various economic policy decisions and contingent events. An adequate analysis requires taking account of the particular form of capitalism. The prevailing form of capitalism played an important role in the origin of the current crisis. The particular form of capitalism is a systematic entity, one that emerges from the contradictions of capitalist development. Every past severe structural crisis of capitalism has been followed by major institutional restructuring, and he predicted that there is no reason to expect that the current crisis will be an exception, despite the current tenacity of neoliberalism. The neoliberal form of capitalism gave rise to increasing inequality, big asset bubbles, and a risk-seeking financial sector that together led eventually to the crisis in 2008. One of three alternative directions of restructuring is likely to emerge in coming years: a right-wing nationalist and statist form of capitalism, a social-democratic form of capitalism, or a transition to socialism. Such an analysis can provide the forces that favor a transition to socialism with arguments in favor of that direction of change.

Pritam Singh argued that the current crisis of global capitalism has seen the decoupling of two segments of the global economy. One segment—the old advanced capitalist economies of the USA, Europe, and Japan—is facing decelerating, stagnant, or even contracting growth, while another segment—the BRICS economies—is experiencing very high rates of economic growth. The rising importance of China and India, the two most populous countries in the world, has been especially noteworthy due to their exceptionally high rates of growth in the last two decades. He examined the ecological implications of this global shift. Three areas of this ecological implication were particularly emphasized. First, the population size of BRICS economies accompanied by high aggregate rates of economic growth in these economies raises the question of global resource availability to sustain these rates of growth. Second, the model of capitalist development based on consumerism that has been followed in the advanced capitalist

economies cannot be repeated in the BRICS and other developing economies due to ecological constraints. Third, due to the pressure on global ecology as a result of the rise of BRICS economies, the traditional model of capitalist development unconstrained by ecological considerations that has been followed in the advanced capitalist economies is no longer possible. Through a combination of these three dimensions of the ecological crisis of global capitalism, he argued that a new paradigm of ecosocialist development is the only way out of this crisis which he briefly outlined at the end.

Don Goldstein from Allegheny College, USA, talked about the political economy of regional climate change adaptation. He argued that climate change will increasingly confront communities throughout the world with profound challenges. Depending on their locational and economic characteristics, small regions may face threats to existing industries, energy sources and usage, transportation systems, and built environments. These challenges will arise from both direct climate impacts and indirect ones related to climate change-driven market and regulatory shifts. Along with the risks, adaptive opportunities will also come. As old technologies and practices lose traction, others will gain ground. At the small regional level, the range of possible adaptive paths is a function of particular direct and indirect impacts of climate change and of existing, geographically specific economic assets and capabilities. But differential class interests and power relations will affect what avenues are chosen. He used the theories of social structures of accumulation (SSA) and of organizational capabilities (OC) to explore these opportunities and conflicts, with case studies of two US regions. As the activities on which local jobs and incomes are based come under pressure from climate change, corporate decision-makers will respond using tools from kits jointly defined by their firms' own OC paths and shared institutional setting. With capabilities that have evolved within this SSA, regional capital may depend little on the regional economy; what is globally integrative for firms may be disintegrative for local regions. But often, climate-adaptive regional economic changes and public investments could underpin the rejuvenation of valuable skills and family-supporting jobs for workers and communities. Thus there will be class conflict around responses to climate change. For the adaptive resources of these and other areas to be bent toward regenerative, sustainable regional adaptation, local working-class and environmental organizations will need to build coalitions for the necessary private and public sector struggles.

Balwinder Singh Tiwana and Paramjit Singh argued that the capitalist system from its very inception has been characterized by state intervention, not only in its external relations but also directly in its internal functioning. The stability of capitalism depends upon the stability of capital accumulation. The stability of the

accumulation process under capitalism largely depends upon the state facilitation and direct state intervention in economic affairs. The role of the state in the accumulation process was developed from the evolution of social classes and started dominating the economic and social affairs according to the needs of the dominant class. The role of the state changed within long-run structural change in the accumulation process under capitalism, from liberal to welfare and neoliberal state, with the changing mode of capitalist accumulation and surplus extraction. Historically, capitalism develops institutional structure and ideologies in order to justify and promote surplus extraction and the capital accumulation process. The resurgence of finance capital during the 1970s onwards through the state initiative and ideological justification started a new era in the capital accumulation process. This new ideology is a product of international capital. The fundamental motive of neoliberalism is to accelerate the accumulation process, which was hindered due to the increase in power of the working class and rise of the socialist camp during the 1950s. The neoliberal agenda of international finance capital was successfully implemented by the state and its institutions almost all over the world. This neoliberal ideology is not only dominating the economic and political spheres of third-world nations but also is molding cultural and social affairs according to the needs of international finance capital. In this process, the state is working as an agent of international finance capital without any veil. It is justifying all types of exploitations of the common masses and natural resources and public goods in the name of efficiency, freedom and democracy, and higher economic growth. In the name of economic growth, the social-economic inequality and acute exploitation of the masses and natural resources are justified by the state. This presents an organic unity of state officials and capital owners for strengthening the accumulation process.

Fiona Tregenna from the University of Johannesburg analyzed deindustrialization in Marxian terms. He argued that deindustrialization is the sectorial shift that has been most prominent in recent decades and which is likely to have significant implications for the future of capitalism. He developed an original Marxian theorization of deindustrialization. This conceptualization includes a distinction between two forms of deindustrialization. As well as taking into account changes in sectorial structure, his typology considered whether such changes are associated with a shift between those activities that produce surplus value and those that do not or only a shift in the composition of surplus value-producing activities. The distinction between different forms of deindustrialization allows for an arguably richer analysis of this phenomenon than in more narrowly sector-based approaches. He argued that the Marxian analysis of sectorial structure and of activity specificity developed here would have led to more definitive conclusions about the projected effects of deindustrialization on

growth. While he developed an argument about how a relative decline in manufacturing could negatively affect growth, he went on to say that other factors could lead to different outcomes at every link of this causal chain. Deindustrialization—even if sustained over a long period—could occur alongside rapid growth. However, this would depend on the processes identified in his paper being outweighed by countervailing factors or forces.

## **2. The Cause of Imbalance: Northern Capitalism against the Global South**

Professor Enfu Cheng from CASS analyzed the causes of uneven development. He argued that with the establishment of US hegemony in the 1990s and the growing inequality in economic globalization and technological revolution, inequality exists not only in economic and social development within national boundaries but also among countries around the world. Causes of global economic and political inequality are diverse, but the primary one should be the United States and the G7 under its control, which promote an international economic order under the condition of powerless developing countries and in accordance with the will and demands of developed countries in the West, possessing most surplus value in the world. As a result, developing countries have been in a very disadvantageous position and have had to rely to a great extent upon the economic conditions, economic policies, and fluctuation of the exchange rates in the developed countries. The current financial and economic crisis in the United States has demonstrated a new characteristic, i.e., crisis is no longer a simple result of the anarchic and spontaneous forces of the market but rather develops under the control of the US financial oligarchy, which are able to do so through conscious control of the government and central bank, influencing finance, currency, market rules, and public opinion, and which have robbed wealth from other social strata and attacked international competitors with the crisis as a weapon of financial war for obtaining enormous profit. This suggests that financial syndicates and their agents in the government and central bank have no intention of overcoming the economic crisis through formulating effective policies. Their goal is to use crisis as an excuse for them to promote policies for the narrow interest of monopolistic oligarchs in finance and other spheres, to transfer the losses of the crisis to people in other countries around the world, and to grab more wealth and resources at the global level, which magnifies the imbalances of the world economy. He explained that it is necessary to investigate the financial crisis from the perspective of financial war. Thus, international economic organizations such as the World Trade Organization, the World Bank, and the International Monetary Fund should be reformed to play a positive role of coordination. The BRICS, Asian Infrastructure Investment Bank (AIIB),

Association of South East Asian Nations (ASEAN), African Union (AU), and G20 should play a more positive role.

Sam Moyo from the African Institute for Agrarian Studies argued that neoliberalism continues to make the Global South's agriculture subservient to the interests of the developed world, with two core strategies: removal of price support mechanisms that have helped peasants sell their goods in the face of cheaper commodities from other countries; and a sustained attack on peasant-owned or -occupied land in the name of "development." The reaction to the 2007/8 food crisis was a new scramble for land in Africa to feed a price bubble in food and biofuels. Neoliberalism and the food crisis also created a speculative bubble in land prices further impoverishing and driving more peasants from the land. What is the alternative? The ability of the state to subsidize sections of the economy and offer reforms is a vital countervailing strategy. He argued that new regional integration strategies based on holistic agrarian reforms and aimed at collectively reversing the decline of domestic food production and food consumption, including protection from external shocks and dependency, are crucial. These have to counter current market-based functional regionalism by building a popular regional industrial policy framework that systematically reverses the current opening up of regions.

Riaz Tayob from the Southern and East African Trade Institute proposed the Third World Approaches to International Law (TWAAIL), which draws upon Benjamin Cohen's "deterritorialization of currencies" to inform monetary sovereignty. It is a dialectic to TWAAIL's radical Marxist views on Imperialism. Contextualized within Michael Hudson's *Superimperialism*, monetary sovereignty ought to comprise national financing for development, national productive capacity for current account needs, and adequate capital account controls. Support for these ideas draws upon Hyman Minsky's financial instability hypothesis, Katharina Pistor's law and finance paradox that renders power salient in crisis, the lack of a credible sovereign debt restructuring mechanism, and peculiarities of the Triffin paradox which reinforce US exceptionalism. Superimperialism explains enduring US hegemony even after the crisis, making monetary sovereignty reform even more imperative. Greece this month offers a salutary lesson.

Former South African minister of intelligence Ronnie Kasrils argued that from 1991 to 1996 the battle for the African National Congress's (ANC) soul got under way and was eventually lost to corporate power: South Africa was entrapped by the neoliberal economy—or, as some today cry out, we "sold our people down the river." What he called their Faustian moment came when the government took an International Monetary Fund (IMF) loan on the eve of its first democratic election. That loan, with strings attached that precluded a radical economic agenda, was considered a necessary evil, as were concessions to keep negotiations on track and take delivery of the promised land for the people. Doubt had come to reign

supreme: they believed, wrongly, that there was no other option, and they had to be cautious, since by 1991 their once powerful ally, the Soviet Union, bankrupted by the arms race, had collapsed. Inexcusably, they had lost faith in the ability of their own revolutionary masses to overcome all obstacles. He argues that if they had held their nerve, they could have pressed forward without making the concessions they did.

Jasper Finkeldey from the University of Pretoria talked about a Marxist approach to anti-corporate struggles. He argued that not so long ago, hot-desking, home office, self-regulating teams, and the death of the nine-to-five working day were seen as heralding a new era in which work would be on the decline. Information technology once even made the promise of the end of work. Although academics have become a bit more sober in assessing the modern workplace after the initial excitement, there is a sustained focus in studies on workplace resistance research on “how to grasp the changing nature of control and resistance in the workplace in light of developments such as team-working, flexible production, knowledge work, emotional labour and aesthetic labour.” Autonomist Marxists argue that the landscape of today’s workplaces has moved toward “immaterial labor.” Workplace resistance in this strand of literature is observed in the “subterranean realms of organizational life.” These resistances take on the forms of humor, cynical distancing, or scepticism. The way resistance is theorized in contemporary organization studies is at best unsatisfactory to understand workplace resistances in the Global South. In fact, considerations on the Global South are largely absent from workplace studies. Therefore, he proposed to bring in concepts of primitive accumulation and sub-imperialism to come to grips with the current political economy in the Global South and South Africa in particular. To come to grips with the everyday contestation of high-emission mining and energy projects, he explored the implications of “blockadia,” a concept that prominently features Naomi Klein’s new book.

Salim Vally from the University of Johannesburg, South Africa, analyzed neo-liberalism and education in South Africa. He argued that the failure of the South African public education system to provide quality education for the majority of learners has spawned a number of dangerous “solutions,” including a crude resort to an apartheid-like disciplinary regime, the privatization of education, and the constant trumpeting of the skills mismatch argument and popular versions of human capital theory. He critiqued the dominant neoliberal discourse in education and provided concrete alternatives to address the problems faced by public education. He attempted to unravel the relationship between social class and educational reform over the past two decades and show how reform processes are constrained by the existence of particular structural conditions in society while simultaneously discussing the proud history of resistance in and through education in South Africa.

Xiaofeng Huang from the University of Business Studies, China, argued that currently climate change has become a new area of competition between states to occupy the commanding heights of the global economy. In the name of slowing down global warming, developed countries have constructed a framework of legal barriers ostensibly concerned with climate change and environmental protection. Such regulations involve carbon reduction, carbon labeling, and carbon tariffs. They have resulted in hindering developing countries' exports and extorting profits from developing countries' economic growth. He put forward the corresponding strategy of formulating new international trade rules for mutual benefit, promoting development of low carbonization of exports from developing countries and the establishment of a climate and environmental barrier observation and elimination mechanism.

### 3. The Development of Emerging Economies

Jenny Clegg from the University of Central Lancashire argued that following failed wars in Afghanistan and Iraq, then the 2008 financial crash, the US world leadership has been in crisis. For many, the rise of China and the formation of the BRICS make it evident that hegemonism based on a single power is no longer sustainable. Yet Obama still proclaimed to launch a new tranche of initiatives to tighten America's global grip in 2012 and declared that American leadership was "the one constant in an uncertain world" in 2014. Yet 2013 was to see China respond to the US "Asian pivot" with a series of initiatives to strengthen Eurasia. In the context of the rise of the BRICS, international relations seesaw as unipolar and multipolar moments occur with increasing frequency. From the 1970s to the early 1980s, the US undermined the counterhegemonic challenge from the Third World and then proceeded to reconstruct its hegemony over the Western bloc, using both economic means of coercion and consensus building through economic incentive. Clegg asked the questions to what extent are those instruments of economic coercion and reward still available to the US in its present project of hegemonic reconstruction? And to what extent do China's new Eurasian initiatives represent a renewal or retreat from the Third World counterhegemonic drive of the 1970s? She considered both the reasons for China's overseas expansion and its mode of operation. She added the notion of the power of stratagem, deriving from Three-World Theory and a Leninist understanding of Imperialism, which China uses to guide itself through the unipolar–multipolar terrain of struggle, in order to better avoid conflict while applying leverage at key links in the US hegemonic chain. The militarization of the US hegemonic drive contrasts with China's deployment of economic incentive and cultural "soft power" Asia for the Asians applying limited coercion in "tit-for-tat." The current international juncture is thus

to be defined not merely in terms of competing hegemonic regimes of coercion and consensus building but as a competition to construct a new hegemonic consensus as to the uses of coercion. The huge disparity in terms of hard power and soft power between the US and China, and the looseness of BRICS unity, would suggest that US primacy remains well beyond challenge. But this does not do justice to the ability of China and the BRICS to leverage within the shifting dynamics of international power. She calls for a reconceptualization of the present-day hegemonic/counterhegemonic dynamic, less as a frontal confrontation between two opposing forces, as in a game of chess, as a more fluid game of go. With its economic leverage weakening and its multidimensional influence narrowing, amidst complaints that the global multilateral institutions are being hollowed out, the US hegemonic project has moved into a new phase of militarization. The challenge for counterhegemonism is to apply asymmetric and subtle powers of conflict avoidance. The shaping of the current international juncture is then to be defined not merely in terms of coercion and consensus building but as a competition to construct a new consensus as to the uses of coercion.

Patrick Bond from the University of KwaZulu-Natal argued that the study of South African political economy has an extraordinary set of lineages. There remains in political economic research an excellent potential for praxis-based scholarship and for revitalizing what was once a world leading intellectual tradition, even if there is not a single program in a tertiary educational institution that carries its name. Taking a longer view of economic and social relations, the various South African traditions of radical political economy were always infused with concern about race, geography, and also, increasingly, gender and environment. All came together in studies of the *super exploitative* capital-labor relations that underpinned apartheid. While fierce debates between radicals and liberals motivated 1960s' and 1970s' political economic studies, these matters go much further back as research problems, as they draw upon longstanding concerns within Marxism about superexploitation. It is here that an "articulation of modes of production" between capitalism and non-capitalist systems is also of great relevance on the world stage today, as a moment within uneven development.

Greg Ruiters from the University of the Western Cape analyzed the alternatives to privatization in developing countries and what might make them "successful." Based on a comprehensive set of empirical data on public services initiatives in over 40 countries, the first such global survey of its kind, he generated a platform for evaluating different alternatives and allowing for comparisons across regions and sectors. The objectives are to develop conceptual and methodological frameworks for identifying and analyzing alternatives to privatization and testing these models against actually existing alternatives on the ground in Asia, Africa, and Latin America.

Enfu Cheng argued that China's "economic new normal" should be characteristic of a shift from high-speed growth toward mid-high-speed growth, from mid-low-end industry toward mid-high-end industry, from factor-driven toward innovation-driven, from extensive growth toward intensive growth, from quantitative expansion toward qualitative benefit, from some people getting rich first toward common prosperity, and from prioritizing the non-public economy toward simultaneous strengthening of the public economy. To that end, the key lies in the important relationship between the dominant role of state adjustment and the determinate role of the market in the allocation of general resources, the primacy of distribution according to labor and the supplement of distribution according to capital, the primacy of public ownership and the supplement of non-public ownership, self-reliant opening and dependency. Under the influence of policy control and the laws in economic, technological, ecological, and livelihood development, the economic and political system under the "China Model" will ensure a 7% annual growth for the next 20 years, without the danger of so-called "hard landing" and "plummeting." For that reason, China will still be the "locomotive" of world economic development and will promote the benign and balanced development of the world economy and the improvement of people's livelihoods.

Yongxiu Bai from Northwest University, China, analyzed the strategic paths and the emphases of the construction of the Silk Road economic belt. The Silk Road economic belt is a banded economic cooperation region connecting the Eurasian continent and a platform of global economic integration and the Chinese economic strategic corridor from its west to the rest of the world. The construction of the Silk Road economic belt is of great significance to the development of China and the world. It will take about 50 years to promote the strategic concept of the Silk Road economic belt, in order to achieve the goals successfully for the integration of Chinese, central Asian, and Russian economies, building the basic framework of the Eurasian economic integration and the formation of the global economic integration strategic platform. The construction of the Silk Road economic belt should pay attention to the three strategic paths and the five construction points. There are three strategic paths. First, the construction mode should be step-by-step, along the "dot-axis-surface" path to promote the construction of the Silk Road economic belt gradually. Second, construction should begin from the nearest to China and span out with emphasis on the five central Asian countries and Russia in the initial stage. Third, the construction process should be from easy to difficult and gradually promote the following paths according to "investigation and understanding" to "local communication," "language and culture" and "tourism and trade" to "production technology," "resources development." There are five key construction points. First is to strengthen the development of infrastructure foundation. Second is to strengthen energy cooperation to build "the third

pole of world energy.” Third is to enhance the opening level of information to promote multilateral trust. Fourth is to accelerate the development of key industries with the help of the corridor of industrial development. Fifth is to build a world-class free trade zone reaching the European Union.

Xinhua Jian from Wuhan University, China, argued that the distribution of wealth and income inequality has become a universal problem in the world. Many countries including some western countries are eager to regulate capital and reduce the gap between rich and poor. The famous slogan of “equalization of landownership and regulation of capital” proposed by Sun Yat-sen, is still of great significance in China. Now the gap between the rich and poor is still an outstanding problem in China, so capital should be regulated to reduce the gap between the rich and poor, reducing the negative effects of capital.

Fangyi Jiao from Heilongjiang University, China, analyzed challenges and countermeasures of the new changes for China in the international trading system after the financial crisis. Recently, the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) promoted by the US has attempted to marginalize and weaken World Trade Organization (WTO) rules in order to further consolidate the dominance of the dollar and slow down its decline. China is the target of trade protectionism and should take the initiative by grasping the vital part of its opponent and create negotiation chips for mutual benefit in intensive international competition. For this, the magnificent strategy of One Belt and One Road advocated by China’s leaders is painting a brilliant picture of the future for China and the world.

Wen Zhou from Yunnan University of Finance and Economics talked about the relationship between the economic development of China and India. He argued that the relationship is the focus of the world. In the field of economics and trade, the mutual benefits of closer ties between the two countries are very obvious. The relationship between them will not become a zero-sum game but is more likely to be peaceful. And the powerful alliance of the “Chinese dragon” and “Indian elephant” will benefit not only China and India but also Asia and the world.

The transformation from the language system of socialist market economy to the language system of socialist regulated economy is to deepen, sublimate, and develop the language system of “socialist market economy.” He argued that it is important to solve the following three difficult problems in the transformation. First is to research on the relationship between government regulation and market regulation, especially the boundary between them and how to modify it. Second is to distinguish private products, public products (including fundamental education, environmental protection, and scientific research, and so on), and quasi-public products (including higher education, culture, health, infrastructure, and other social welfare undertakings). Third is to interpret the mutual integration and

regulation between socialist public-owned society and market economy theoretically and thereby construct a language and logic system of socialist market economy, which is difficult and innovative.

#### 4. Class, Race, and Gender

Vishwas Satgar from the University of the Witwatersrand talked about class struggles in South Africa and the world. He argued that the global economic crisis is a multidimensional crisis. Yet, it has been claimed that only more finance-centered growth and neoliberal economics, mainly in China, India, and Brazil, will avert a deepening of the crisis. A non-dogmatic Marxist approach is required to explain the systemic dynamics of crisis inherent to global capitalism. We need to assess what is historically specific to capitalism's crises while avoiding catastrophic or defeatist claims and at the same time situate left agency within actual patterns of resistance and class struggle to clarify the potential for transformative change. The cycle of resistance strengthened by the World Social Forum and transnational activism is now punctuated by the experience of the Arab Spring, the agency of anti-systemic movements, left think tanks, the Occupy Wall Street Movement, labor unions, left parties in Europe such as Syriza and Podemos, and peoples' budgeting in Kerala, India. On the down side, we are witnessing the waning of the Workers Party in Brazil and serious challenges for South Africa's once powerful labor movement and still formative social justice activism.

Jacklyn Cock from the University of the Witwatersrand argued that there is a crisis of social reproduction in South Africa, of which black working-class women are the shock absorbers. However they are mobilizing to confront the crisis, developing different forms of power, new kinds of organization and counternarratives of energy democracy and food sovereignty. However, they are not doing so in the name of feminism. A transformative feminism could emerge and give strength and coherence to these struggles.

Darlene Miller from the University of the Western Cape reflected on the place of women's leadership within revolutionary social change in the twenty-first century. She argued that global forces of labor played a central role in social change in the twentieth century. The changing dynamics in global political economy have placed Southern Africa's land at the center of a new economic narrative of "Africa Rising" in the twenty-first century. She discussed the politics of rural and urban women in their local contexts. The relationship of African women to urban and rural space is mediated by their generational concerns about their children. Drawing on their insights, she argued for an ontological rethink on questions of reform and revolution. She critiqued African patriarchy and the accumulation of

power and proposed African women and feminist men as the agents of revolutionary change in the twenty-first century.

Samantha Hargreaves from *Women in Mining* examined extractivism from the viewpoint of the most affected group—peasant women of the Africa region—using the lens of “social reproduction” as a theoretical framework. This helps us to understand why working-class and peasant women are particularly affected by extractivism and how their labor and that of other reproductive workers subsidize capital. It establishes how threats to social reproduction emerge, defines the struggles of women, indigenous people, and peasant farmers against extractivism, and considers how an alternative development paradigm must place at its center the reproduction of life and nature. This version of political economy affirms the regenerative work of women, indigenous people, and peasants and informs new linked-up political strategies for liberation.

Vusi Gumede from the University of South Africa talked about the inclusive development in post-apartheid South Africa. He argued that the fundamental “development question” is for South Africa and perhaps for Africa more broadly—the post-apartheid development experience should also be examined within the context of the development experience of post-independent Africa. Any debate about development has to also, if not primarily, deal with social and economic inclusion, especially in the South African context. He examined the level of development in South Africa from a Fanonian perspective. In analyzing inclusive development, the constraints imposed by the global order and the relationship between people and capital should be considered. Overall, inclusive development remains shallow in South Africa. Viewed from the Fanonian perspective, development has not even started in neocolonial post-apartheid South Africa. He explained the possible reasons why development remains a pipedream in South Africa. Besides constraints imposed by the global neoimperial order, inappropriate policies and poorly sequenced reforms have limited the pace of development since 1994.

Jeremy Cronin and Alex Mashilo from the Communist Party of South Africa suggested decentering “race” within the “national question.” They argued that in much activist and academic discussion the “national question” tends to be dominated by, if not reduced to, questions of “race,” “nationality,” “ethnicity,” and “identity”—not least in South Africa, and for obvious reasons. These emphases are not misplaced. “Race” and especially racism, along with related issues like ethnic rivalries and xenophobia, continue to be burning issues within contemporary South African reality. However, an overemphasis on “race” (which is to say one or another form of identity politics) coupled with the second word in the term “national QUESTION” might further quickly suggest that we are dealing here essentially with a puzzle, a prickly predicament, the persistence perhaps of

backward prejudices, resurgent, and problematic ethnic identities, or “race relations” that require delicate management.

Azwell Banda from Numsa Research and Policy Institute, South Africa, talked about South Africa’s working-class xenophobia through a Marxist–Leninist lens. He argued that xenophobia is a reality present in all social classes, races, genders, and age groups in South Africa. Its most violent forms, however, are prevalent among the African working classes. The periodic mass outbreak of violent xenophobia must be understood as a mass ritual and grotesque public display of the violence of the lives of the colonial “native.” Marxism–Leninism suggests that the solution lies in the destruction of the continuing colonial status of the African working class through the construction of a socialist society. Empirical evidence convincingly illustrates the violent colonial status of the African working class. Those laying claim to be Marxists will work to organize, mobilize, and unite the South African working class to establish socialism.

China Ngubane from the University of KwaZulu-Natal, South Africa, also developed a Marxist analysis of working-class xenophobia. He used geographical coding and class categories to analyze its dynamics and structural causes. While it is apparent that the call by one man—King Goodwill Zwelethini—for immigrant workers to “pack their bags” was the catalyst, there are much more powerful structural forces that must be taken into account to grapple with xenophobia and to develop class-conscious resistance.

Davie Malungisa from Ecumenical Service for Socio-Ecumenical Transformation, South Africa, analyzed the political economy of informal trade in Southern Africa. He argued that the crucial aspect of the political economy of the informal sector in Southern Africa is the way informal traders operate: as women, as cross-border migrants, and as street traders. The vulnerability of the traders is acute: they find themselves outside social protection programs and given only tokenistic public policy support. In labor terms, viewed as own-account workers, there is a slow yet encouraging recognition of the traders’ situation. While informal traders’ organizations are on the rise, they often experience false-starts due to internal bickering, lack of organizational leadership, and secretariat level skills. Most worrying is the weak organizational state of informal traders’ institutions and networks. That quiet voice stands in contrast to their growing economic strength, accounting for 30–40% of Southern African Development Community (SADC) intra-trade. These problems cannot be solved until a cogent social movement approach, particularly supported by a solidarity economy movement, is set in motion.

Raymond Nyapokoto from the University of the Witwatersrand, South Africa, analyzed the political economy of gated communities. He deployed Fanon’s critical decolonial ideas to explore the South African history of colonialism/apartheid as the roots and *raison d’être* of “gated communities.” This “gating” in Johannesburg

is borne more out of the need for exclusivity and security more than any other factors propounded by many urban and urbanization researchers and social scientists. He argued that “visible” spatial, social, and economic aspects of modern Johannesburg have their genesis in the “invisible” spatial, social, and economic engineering that were deliberately systemized and entrenched into political governance by the pre-1994 government. Though apartheid officially ended in 1994, its technologies and logic are still very much alive and active. This logic of coloniality will be subtly shaping and determining the urbanization trajectory that the City of Johannesburg will follow.

## 5. Conceptual Challenges for Political Economy and Democracy

Satoshi Matsui from Senshu University, Japan, argued that socialism is the development of liberalism because it inherits the accomplishments of liberalism and transcends its defects. However, it is difficult to distinguish these accomplishments and defects, since they change according to the age or situation. Therefore, the road to “socialism as a development of liberalism” will be a gradual and long process. In the contemporary global community, every country and region is facing the expansion of capitalism. In developing countries and regions, liberalist justice is playing a progressive role for the time being, but as liberalism takes hold and matures, its contradictions and limitations will become clear, and ultimately it will be necessary to implement socialism. Accordingly, “socialism as a development of liberalism” will become a global political agenda. Every country and region will experience “socialism as a development of liberalism” as a necessary historical process. Socialist normative theory is not one that can only be applied in certain countries with historically exceptional situations, but a universal one that can be practiced in every country that moves from liberalism and capitalism.

David Matters from Australia analyzed the crisis between the mode of production and the relations of production and responsibility of Marxism. From the machine age to the cybernetics and robotics, the reduction of living labor has a continuing effect on the reproduction of capital; it increases the capital that has to be reproduced at the same time as it reduces the individual socially necessary labor time for each unit of production. Along with this, the living labor embodied in each item moves toward an absolute zero. In countries where the socialist revolution has not occurred, this crisis leads to extreme reaction and attacks on the proletariat to try to hold the rate of profit up. The reduction of living human labor toward absolute zero has a revolutionary character. Without the seizure of power by the working class, then this mode will contradict the relations of production and will lead to displacement of labor, which will lead to growing poverty and crisis. Marxism has the responsibility to assist the revolutionary class to comprehend the

need to carry on this transformation and take control through a Communist party. Marxists have a responsibility to assist the class to reach an understanding of the struggle that this requires. On the reverse of this is the cybernetics and robotization of warfare, drones, etc. This is a dramatic effect of the current failure to convince the workers to take power through their own party.

Martin Legassick from the University of the Western Cape, South Africa, talked about the way toward socialist democracy. He argued that to do justice to the project of Marxian political economy requires engaging in how struggles against capitalism have emerged around the world. That entails examining the history of the struggle for socialism in the twentieth century and drawing on the lessons of the bureaucratic usurpation of the Russian workers' revolution and of the revolutions that put a bureaucracy in power in China, Cuba, and other countries. It requires outlining the conditions of wealth and poverty in the world economy today and considering recent uprisings in Latin America. Assessing the history of South African political economy is vital to this endeavor. Socialism is still a necessity which can only be achieved through nationalizing the economy under workers' control and management on an international scale. To do so requires a mass workers' party in South Africa to take up the struggle for national, and international, social justice and socialism.

Doctor Roslyn Fuller from INSYTE Interdisciplinary Group, Ireland, analyzed the latent defect of capitalist electoral competition which helps cause inequality and its antidotes. Electoral democracy is, by its nature, harshly competitive. Following any election, the winner acquires all political power, including the ability to control the national economy, or in some cases even the global economy. That these "winners" should choose to recreate the economy they govern in the image of the overly competitive, highly commoditized, neoliberal political system they master is hardly surprising. Therefore, in order to truly combat economic inequality, it is necessary to change the underlying political system. In particular, it is necessary to replace the competitive electoral representative political system with decision-making processes that are not formally competitive, that have, in short, no long-term "winners" or "losers." This can only be achieved by replacing electoral democracy with direct, mass participation and by compensating citizens for their participation in the political decision-making process. Due to developments in modern technology, it would now be possible to implement such a non-competitive system of decision making, even in large and populous nations.

Enfu Cheng argued that we should be clear that the US style of democracy is detrimental to the world economy and people's lives. Though it appears to be an electoral and procedural democracy, the US style of democracy is in essence a money-driven and oligarch-controlled one. Economic oligarchs with enormous amounts of money control not only the national economy but also the media and

educational system, thus being able to influence voters during the spectacular congress and presidential elections. Such a political system is a distorted democracy based on monopolistic private interest or, as revealed by the US left, is a “new dictatorship.” Such a system and its expansion have brought about serious problems and tremendous harm to material production, economic development, and people’s lives around the world. First, it has caused damage in material production and exchange with cyclic economic crises. Second, it has disrupted financial order and activities with frequent financial crises. Third, it has ruined national finance and taxation, even caused fiscal crises, such as fiscal crises in the USA and European Union. Fourth, it has caused ecological and environmental damage, producing global environmental crisis. Fifth, it has damaged material life and welfare and sustained and increased the wide gap between the rich and poor, leading to the conflict of the so-called “99% vs. 1%” and the rise of the “Occupy Wall Street Movement.” There is no possibility to maintain such a system without the oppressive and violent political rule of “money-determined electoral democracy” and “oligarch democracy.” It is obvious that Western democracy such as that in the United States is in urgent need of fundamental reform in accordance with the essential demands of the people as well as the broad tendency in the evolution of world economic and political democracy.

The closing ceremony was presided over by the Co-vice Chairman of WAPE; Professor David Kotz from the University of Massachusetts Amherst, USA; Professor Xiaoqin Ding, Secretary General of WAPE; Assistant Director of the Marxism Research Institute, Shanghai University of Finance and Economics; and a research associate at Harvard University Asia Center, announced the new members of WAPE Council. Professor Sam Moyo was selected a new Co-vice Chair of WAPE. The Statement of the Tenth Forum of WAPE was released, which declares that while the capitalists in the developed countries undertake actions that increase profits by increasing the global developmental imbalance, such actions cannot overcome the basic contradictions of capitalism. These contradictions fall upon the developing countries but sooner or later they exert a harmful influence over developed countries and their financial sectors. As a result, global financial and economic crises will lead to turbulence in financial markets, depreciating assets of developing countries in return. For developing countries, the reduced effective demand coming from developed countries in a crisis presents a challenge for industrial development and upgrading and makes it more difficult to catch up with the developed countries. In order to promote sustainable development of the world economy and society, minimize developmental gaps among nations, regions, and industries, and improve the living standards of all people both materially and spiritually, we should further strengthen the economic, political, and diplomatic cooperation among developing countries, create more possibilities for cooperation

within groups of developing countries from different regions, and decrease the costs of cooperation, to mitigate excessive reliance on financing from and trade with the developed countries; we should strengthen trading partnerships and investment relationships among developing countries, developed countries of Europe, and newly emerged developed countries of East Asia, thus alleviating dependence on finance, technology, and trade with some particular developed countries; we should strengthen communication and cooperation among labor unions of developed countries and developing countries, thus avoiding separation and dissolution within the world working class by ultra-nationalism promoted by the governments of the developed capitalist countries; we should strengthen regulation of international financial capital, minimize the effects of financial speculation on the financial markets of the world, especially developing countries, and prevent further pillage of surplus value by financial monopoly capital, thus minimizing industrial developmental gaps and promoting economic development; we should take a critical view toward the spatial expansion of capital across the world, and in order to mitigate the uneven development of world capitalism, we should strengthen the leadership and decision-making power of developing countries in international economic organizations, United Nations and its affiliated organizations, with the AU, ASEAN, BRICS, G20, and AIIB.

